

CONSUMER PRICE

INDEX

REPORT

OCTOBER 2007

MANITOBA
BUREAU OF STATISTICS

RIGHT ANSWERS
RIGHT NOW

November 20, 2007



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CONSUMER PRICE INDEX – OCTOBER 2007

PERCENT CHANGE - ALL ITEMS INDEX

OCTOBER 07/OCTOBER 06

OCTOBER 07/ SEPTEMBER 07

MANITOBA	1.9	-0.7
CANADA	2.4	-0.3

The Manitoba all items index rose 1.9% in October 2007 compared with October 2006, down from the September annual rate of 2.8%. Canada's annual rate of price increase in October was 2.4%, down slightly from its September rate of 2.5%.

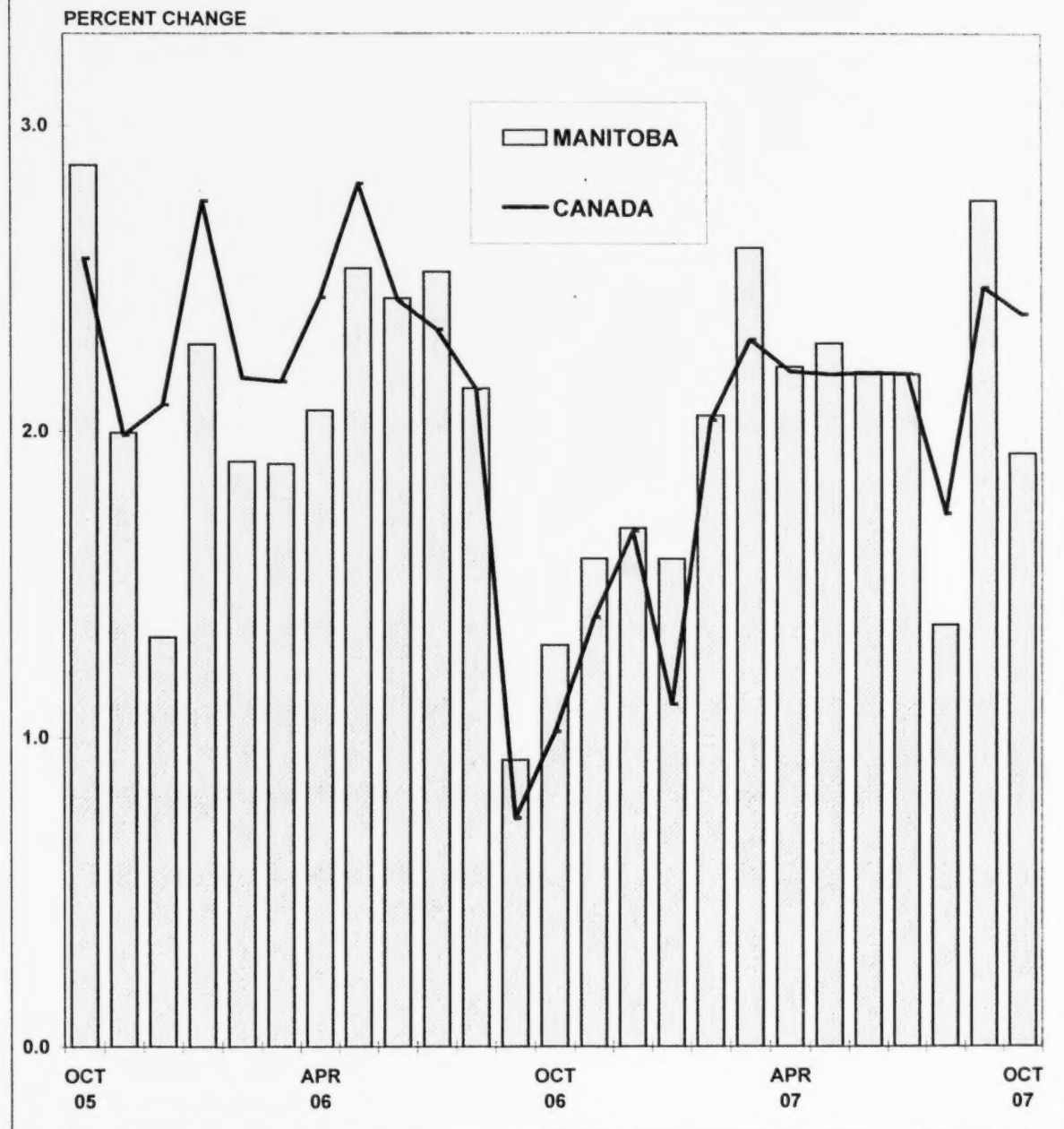
Chart 1 presents a summary of price changes for Manitoba and Canada over the last two years. The method of calculation shown in Chart 1 is the most widely used, and is often referred to by the media as the **"inflation rate"**. It is based on the percent change between the current month and the same month the previous year.

Manitoba's annual inflation rate of 1.9% in October was second lowest among the provinces. Alberta recorded the highest increase at 5.0%, while British Columbia recorded the lowest rate at 1.6%. The Winnipeg all items increase was 1.8% in October, down from an annual rate of 2.8% in September.

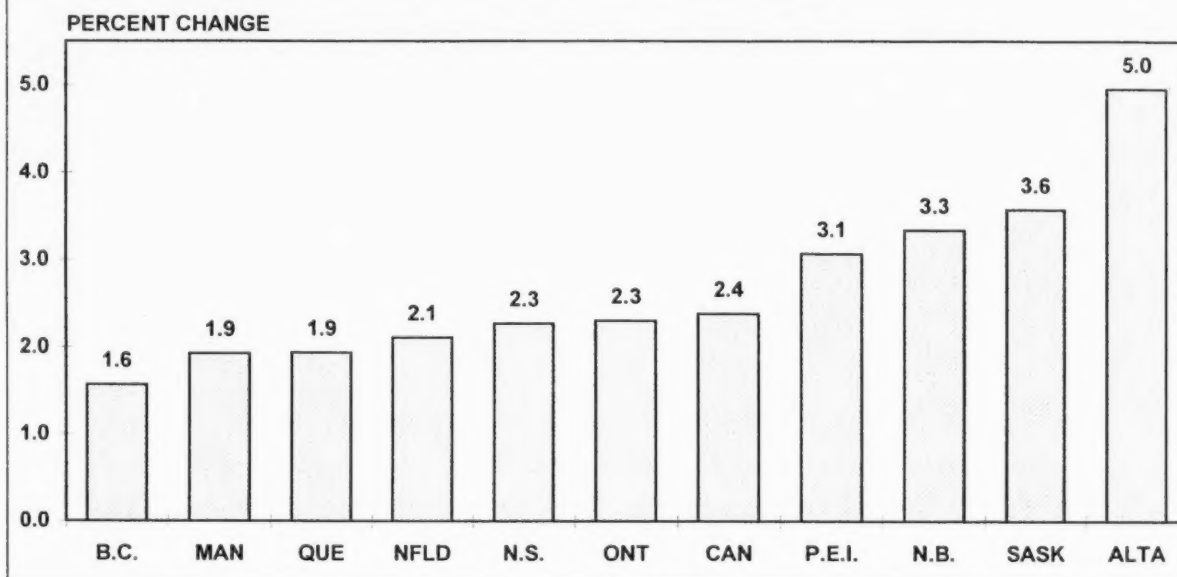
Between October 2006 and October 2007, Manitoba saw lower prices for recreational equipment and services (excluding recreational vehicles), other food preparations, purchase and leasing of passenger vehicles, homeowners' maintenance and repairs, women's clothing, pet food and supplies, as well as fresh vegetables. These declines were offset by higher prices for gasoline, mortgage interest cost, food purchased from restaurants, replacement cost, other owned accommodation expenses, passenger vehicle parts, maintenance and repairs, and homeowners' home and mortgage insurance.

On a monthly basis, the Manitoba all-items index was 0.7% lower in October, down from the 0.5% increase in September. Prices were lower last month for gasoline, purchase and leasing of passenger vehicles, traveller accommodation, non-alcoholic beverages, furniture, other food preparations, as well as property taxes (including special charges). These declines were offset by increases in mortgage interest cost, food purchased from restaurants, bakery products, replacement cost, cereal products (excluding infant food), homeowners' home and mortgage insurance, and footwear. Prices at the national level decreased by 0.3% in October, down from the 0.2% increase in September.

CHART 1. CONSUMER PRICE INDEX
MONTHLY INFLATION RATE
MANITOBA AND CANADA



**CHART 2. CONSUMER PRICE INDICES
PERCENT CHANGE FROM OCT 06 TO OCT 07
ALL ITEMS: CANADA AND PROVINCES**



**CHART 3. CONSUMER PRICE INDICES
PERCENT CHANGE FROM OCT 06 TO OCT 07
MAJOR COMPONENTS: MANITOBA**

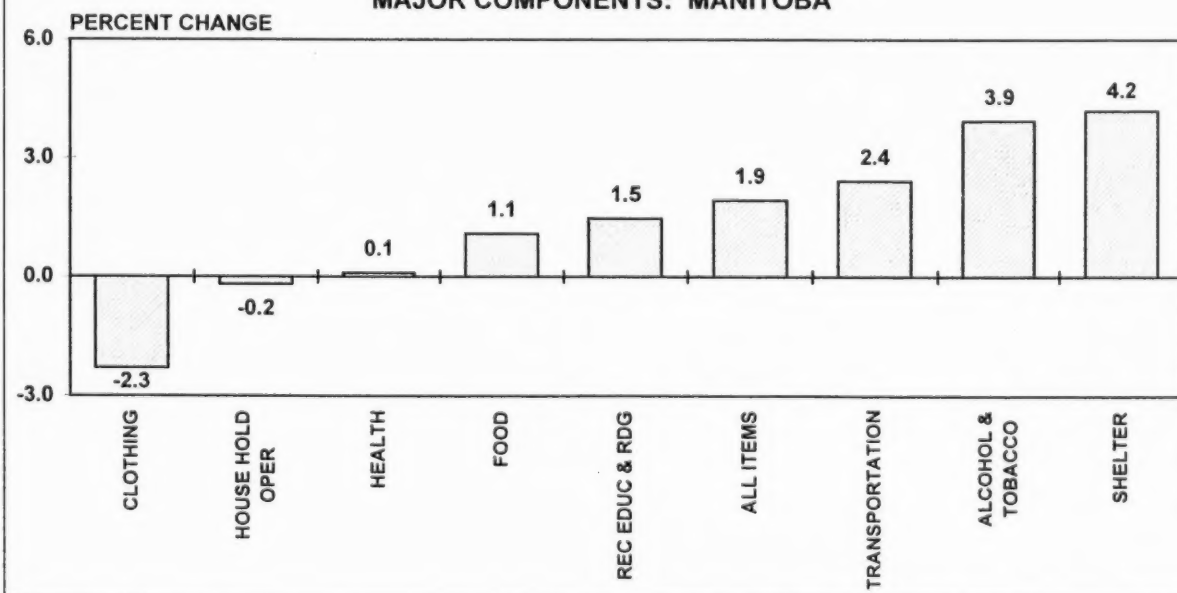


TABLE 1: CONSUMER PRICE INDICES FOR OCTOBER 2007

(2002 = 100)

	MANITOBA					CANADA				
	OCT 07	SEP 07	PERCENT CHANGE	OCT 06	PERCENT CHANGE	OCT 07	SEP 07	PERCENT CHANGE	OCT 06	PERCENT CHANGE
<u>MAIN COMPONENTS:</u>										
ALL ITEMS	111.0	111.8	-0.7	108.9	1.9	111.6	111.9	-0.3	109.0	2.4
FOOD	111.7	112.0	-0.3	110.5	1.1	110.7	110.9	-0.2	109.2	1.4
SHELTER	116.7	116.6	0.1	112.0	4.2	118.7	117.8	0.8	114.1	4.0
HOUSEHOLD OPERATIONS AND FURNISHINGS	103.7	104.1	-0.4	103.9	-0.2	103.4	103.7	-0.3	102.2	1.2
CLOTHING AND FOOTWEAR	97.9	97.8	0.1	100.2	-2.3	97.1	97.4	-0.3	97.7	-0.6
TRANSPORTATION	114.4	117.4	-2.6	111.7	2.4	115.2	116.9	-1.5	111.7	3.1
HEALTH AND PERSONAL CARE	106.1	106.3	-0.2	106.0	0.1	107.5	107.6	-0.1	106.1	1.3
RECREATION, EDUCATION AND READING	103.4	104.0	-0.6	101.9	1.5	102.7	103.4	-0.7	100.9	1.8
TOBACCO AND ALCOHOL	126.7	126.7	0.0	121.9	3.9	126.3	126.6	-0.2	122.2	3.4
<u>SPECIAL AGGREGATES:</u>										
ALL ITEMS EXCL. FOOD	110.8	111.7	-0.8	108.6	2.0	111.8	112.1	-0.3	108.9	2.7
ALL ITEMS EXCL. FOOD AND ENERGY	108.4	108.7	-0.3	106.9	1.4	109.6	109.7	-0.1	107.5	2.0
ENERGY	133.7	139.1	-3.9	124.6	7.3	134.5	136.6	-1.5	123.8	8.6
GOODS	108.0	109.4	-1.3	107.6	0.4	107.1	107.8	-0.6	105.6	1.4
SERVICES	114.3	114.4	-0.1	110.4	3.5	116.1	116.9	0.2	112.2	3.5

DATA SOURCE: STATISTICS CANADA

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TABLE 2: CONSUMER PRICE INDICES FOR OCTOBER 2007

(2002 = 100)

	ALL ITEMS					FOOD				
	<u>OCT 07</u>	<u>SEP 07</u>	<u>PERCENT CHANGE</u>	<u>OCT 06</u>	<u>PERCENT CHANGE</u>	<u>OCT 07</u>	<u>SEP 07</u>	<u>PERCENT CHANGE</u>	<u>OCT 06</u>	<u>PERCENT CHANGE</u>
MANITOBA	111.0	111.8	-0.7	108.9	1.9	111.7	112.0	-0.3	110.5	1.1
<u>WESTERN PROVINCES</u>										
SASKATCHEWAN	113.0	113.4	-0.4	109.1	3.6	111.0	110.4	0.5	109.8	1.1
ALBERTA	118.6	119.4	-0.7	113.0	5.0	110.6	111.2	-0.5	109.2	1.3
BRITISH COLUMBIA	110.0	110.5	-0.5	108.3	1.6	109.0	108.7	0.3	107.1	1.8
<u>EASTERN PROVINCES</u>										
ONTARIO	110.9	111.0	-0.1	108.4	2.3	110.1	110.5	-0.4	108.3	1.7
QUEBEC	110.5	110.5	0.0	108.4	1.9	112.0	112.1	-0.1	111.6	0.4
<u>MARITIME PROVINCES</u>										
NEW BRUNSWICK	111.4	112.0	-0.5	107.8	3.3	114.0	113.7	0.3	110.5	3.2
NOVA SCOTIA	112.6	112.9	-0.3	110.1	2.3	113.6	114.0	-0.4	111.5	1.9
PRINCE EDWARD ISLAND	114.1	114.0	0.1	110.7	3.1	113.4	114.2	-0.7	110.8	2.3
NEWFOUNDLAND/LABRADOR	111.2	111.1	0.1	108.9	2.1	109.9	109.5	0.4	107.1	2.6
* MANITOBA RANK			1		2			5		2

DATA SOURCE: STATISTICS CANADA

MANITOBA BUREAU OF STATISTICS

* Ranking is done in ascending order from the lowest to the highest

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TABLE 3: PERCENT CHANGE COMPARISONS, MANITOBA AND CANADA

(AS OF OCTOBER 2007)

MAIN COMPONENTS	(1) CHANGE FROM SAME MONTH LAST YEAR		(2) CURRENT ANNUAL RATE OF CHANGE		(3) 12 - MONTH ANNUAL RATE	
	MANITOBA	CANADA	MANITOBA	CANADA	MANITOBA	CANADA
ALL ITEMS	1.9	2.4	-3.9	-1.4	2.0	2.0
FOOD	1.1	1.4	-6.2	-5.6	3.7	2.9
SHELTER	4.2	4.0	3.5	5.9	3.5	3.3
HOUSEHOLD OPERATIONS AND FURNISHINGS	-0.2	1.2	-3.0	0.8	0.0	0.8
CLOTHING AND FOOTWEAR	-2.3	-0.6	9.1	11.0	0.3	-0.2
TRANSPORTATION	2.4	3.1	-15.2	-10.7	0.9	1.1
HEALTH AND PERSONAL CARE	0.1	1.3	-4.0	0.0	0.5	1.3
RECREATION, EDUCATION AND READING	1.5	1.8	0.0	-1.2	1.6	0.9
TOBACCO AND ALCOHOL	3.9	3.4	2.2	1.0	3.0	3.0
<u>SPECIAL AGGREGATES:</u>						
ALL ITEMS EXCL. FOOD	2.0	2.7	-3.2	-0.4	1.7	1.8
ALL ITEMS EXCL. FOOD AND ENERGY	1.4	2.0	0.4	1.8	1.8	1.9
ENERGY	7.3	8.6	-24.0	-13.8	1.0	0.7
GOODS	0.4	1.4	-9.1	-5.4	0.9	0.6
SERVICES	3.5	3.5	2.5	2.8	3.3	3.3

DATA SOURCE: STATISTICS CANADA

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NOTE: THERE ARE SEVERAL WAYS TO MEASURE THE ANNUAL PERCENT CHANGE OF THE CONSUMER PRICE INDEX, COMMONLY REFERRED TO AS THE INFLATION RATE. THE ABOVE TABLE PRESENTS THREE DIFFERENT METHODS:

- (1) THE MOST COMMONLY USED METHOD OF REPORTING THE INFLATION RATE, BASED ON PERCENT CHANGE FROM THE SAME MONTH ONE YEAR AGO.
- (2) PROVIDES A MEASURE OF THE CURRENT ANNUAL RATE OF INFLATION. THE GROWTH RATE OVER THE PRECEDING THREE MONTHS IS CALCULATED AND THEN COMPOUNDED AT AN ANNUAL RATE. IT SHOULD BE NOTED THAT THESE CALCULATIONS HAVE NOT BEEN SEASONALLY-ADJUSTED.
- (3) COMPARES THE AVERAGE OF THE 12 MONTHS ENDING THIS MONTH WITH THE AVERAGE OF THE 12 MONTHS ENDING ONE YEAR EARLIER.

TABLE 4: CONSUMER PRICE INDICES FOR OCTOBER 2007: ALL ITEMS

(2002 = 100)

	<u>OCT 07</u>	<u>SEP 07</u>	<u>PERCENT CHANGE</u>	<u>(1) CHANGE FROM SAME MONTH LAST YEAR</u>	<u>(2) 12 - MONTH ANNUAL RATE</u>
WINNIPEG	110.9	111.6	-0.6	1.8	2.1
<u>WESTERN CITIES</u>					
REGINA	112.3	112.7	-0.4	3.0	2.3
SASKATOON	114.1	114.4	-0.3	4.6	2.8
CALGARY	118.7	119.3	-0.5	4.6	5.2
EDMONTON	118.3	119.1	-0.7	5.4	4.6
VANCOUVER	110.4	110.7	-0.3	1.8	2.2
VICTORIA	109.5	110.1	-0.5	0.8	1.2
<u>EASTERN CITIES</u>					
THUNDER BAY	107.9	108.3	-0.4	1.4	0.9
TORONTO	110.7	110.8	-0.1	2.5	1.7
OTTAWA	110.7	110.9	-0.2	2.3	1.7
MONTREAL	110.4	110.4	0.0	1.7	1.4
QUEBEC	110.2	110.2	0.0	1.8	1.1
<u>MARITIME CITIES</u>					
SAINT JOHN, N.B.	111.4	112.0	-0.5	3.2	1.4
HALIFAX	112.3	112.6	-0.3	2.4	1.7
CHARLOTTETOWN	113.8	113.7	0.1	3.1	1.6
ST. JOHN'S, NFLD	111.0	110.7	0.3	2.3	1.2
* WINNIPEG RANK (OUT OF 16 CITIES)			2	4	11

DATA SOURCE: STATISTICS CANADA

MANITOBA BUREAU OF STATISTICS

* Ranking is done in ascending order from the lowest to the highest

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NOTE: THERE ARE SEVERAL WAYS TO MEASURE THE ANNUAL PERCENT CHANGE OF THE CONSUMER PRICE INDEX, COMMONLY REFERRED TO AS THE INFLATION RATE. THE ABOVE TABLE PRESENTS TWO DIFFERENT METHODS:

- (1) THE MOST COMMONLY USED METHOD OF REPORTING THE INFLATION RATE, BASED ON PERCENT CHANGE FROM THE SAME MONTH ONE YEAR AGO.
- (2) COMPARES THE AVERAGE OF THE 12 MONTHS ENDING THIS MONTH WITH THE AVERAGE OF THE 12 MONTHS ENDING ONE YEAR EARLIER.

